

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 333/MP/2024 along with IA No.82/2024**

Subject : Petition under Sections 79(1)(c) & (f) of Electricity Act, 2003 seeking quashing/setting aside of the letters dated 15.07.2024 issued by the Respondent whereby Petitioner's in-principle connectivity with respect to 50 MW & 150 MW capacity has been cancelled on the purported ground that the Petitioner has not furnished the requisite CONN-BG2 within the prescribed timelines.

Petitioner : Avaada Energy Private Limited (AEPL)

Respondent : Central Transmission Utility of India Limited (CTUIL)

Date of Hearing : **10.10.2024**

Coram : Shri Jishnu Barua, Chairperson  
Shri Ramesh Babu V., Member  
Shri Harish Dudani, Member

Parties Present : Shri Gopal Jain, Sr. Advocate, AEPL  
Shri Abhishek Kumar, Advocate, AEPL  
Shri Nived Veerapaneni, Advocate, AEPL  
Shri Rijul Uppal, Advocate, AEPL  
Shri Abhinav Kapoor, AEPL  
Ms. Disha, AEPL  
Shri Alok Shankar, Advocate, CTUIL  
Shri Swapnil Verma, CTUIL  
Shri Ranjeet Rajput, CTUIL

**Record of Proceedings**

Learned senior counsel for the Petitioner submitted that the present Petition has been filed seeking quashing of letters dated 15.7.2024 issued by the Respondent, CTUIL, whereby the Petitioner's in-principle connectivity with respect to 50 MW & 150 MW capacity has been cancelled on the purported ground that the Petitioner has not furnished the requisite Conn-BG2 within the specified timelines. Learned senior counsel mainly submitted as under:

(a) In terms of the GNA Regulations, for the grant of the connectivity, certain Bank Guarantees (BGs) are required to be furnished and, depending upon the nature of augmentation required for the transmission system, i.e., either through an Associated Transmission System (ATS) or through a common network expansion, the quantum of BG varies.

(b) In the present case, CTUIL has itself recognized and acknowledged that multiple Renewable Energy injecting entities would be connected to the concerned

Rajgarh PG (Existing) PS wherein the Petitioner was granted the in-principle connectivity. Also, the said area is declared as a Renewable Energy Zone in August, 2024.

(c) Hence, in this case, the Petitioner was required to furnish Conn BG2 for a quantum of Rs. 3 crores only as per Regulation 8.2 of the GNA Regulations in contrast to BG for a sum of Rs. 48.752 crores towards ATS and terminal bays under Regulation 8.3 of the GNA Regulations. However, CTUIL refused to accept the Conn- BG2 as furnished by the Petitioner and consequently, by letters dated 15.7.2024, proceeded to cancel the in-principle connectivity granted to the Petitioner.

(d) Since at that point in time, the Commission did not possess the requisite quorum to adjudicate Petition under Section 79(1)(f) of the Electricity Act, 2003 on account of want of a legal member, the Petitioner approached the Hon'ble High Court of Delhi by way of WP (C) No. 9818/2024 challenging the said letters. Subsequently, the said WP was withdrawn with liberty to approach the jurisdictional High Court, i.e., Hon'ble High Court of Madhya Pradesh, by way of Writ Petition No. 20837/2024, challenging the said letters. The Hon'ble Madhya Pradesh High Court, vide order dated 26.7.2024, stayed the impugned letters till the next date of hearing, and thereafter, vide order dated 13.9.2024, the Hon'ble High Court of Madhya Pradesh permitted the Petitioner to withdraw the Petition with liberty to approach this Commission and till the consideration of application for interim relief, extended its interim order dated 26.7.2024.

2. Learned counsel for the Respondent, CTUIL, accepted the notice and sought a week's time to file a reply in the matter. Learned counsel further submitted that the in-principle connectivity granted to the Petitioner was cancelled as the Petitioner failed to provide the requisite Conn-BG2. Learned counsel further added that in the event where the connectivity granted through ATS is subsequently considered through the common transmission system, Conn-BG2 given by the developers towards the ATS is correspondingly reduced. However, in the present case, the Petitioner had failed to furnish the requisite Conn-BG2 in the first place.

3. Considering the submissions made by the learned senior counsel for the Petitioner and the learned counsel for CTUIL, the Commission ordered as under:

(a) Admit subject to just exceptions;

(b) The Respondent to file its reply to Petition as well as IA, if any, within a week with a copy to the Petitioner, who may file its rejoinder within a week thereafter; and

(c) In the interregnum, as already held by the Hon'ble High Court of Madhya Pradesh, the operation of CTUIL's letters dated 15.7.2024 will remain stayed till the consideration of the Petitioner's application for interim relief by this Commission.

(d) The Respondent, CTUIL to file on an affidavit within a week the total capacity of the Rajgarh (PG) S/s, the quantum of connectivity already granted and the quantum capacity vacant at this sub-station.

4. The Petition, along with IA, will be listed for hearing on **7.11.2024**.

**By order of the Commission**  
**Sd/-**  
**(T.D. Pant)**  
**Joint Chief (Law)**